

COUNTY OF LOS ANGELES SMALL BUSINESS COMMISSION 2021 ANNUAL REPORT

2021 Commissioners

Commission Chair Mark J. Robertson Second District

Commission Vice-Chair

W. Steven Temple
Second District

First District

Diane L. Araujo

Kerry Doi

Andrew E. Rodriguez

Rose Acosta-Yonai

Second District

Will Campbell
Angela Gibson
Mark J. Robertson
W. Steven Temple
Ky Chueon Kim
Alternate

Third District

James Finney-Conlon R. Christine Hershey Scott Mayers, Ph.D.

Fourth District

Cindy Allen

Ann Carpenter

Lucia Moreno-Linares

Anna Wu

Patrick Wilson
Alternate

Fifth District

Jozef Essavi

Tyrone Hampton

Frieda Hovsepian

Anthony Williams

Onnik Mehrabian

Procurement and Reciprocity Committee Chair

Anthony D. Williams

Economic Development & Outreach Committee Chair

Angela Gibson

The County of Los Angeles Small Business Commission

2021 Annual Report

History of the Small Business Commission

Pursuant to Board Order, the Office of Small Business Advisory Board was created on June 29, 1999, to provide advice and support to help small businesses grow and do business with the County. In a subsequent Board order on May 22, 2001, the Office of Small Business Advisory Board was restructured as the Commission and has operated since that date. The Commission continues in its role of making recommendations to the Director of Economic and Workforce Development and the Board on issues that affect the small business community, with the ultimate goal of small business growth through the conduct of business with the County. This is the epitome of economic development.

Throughout its history, the Commission has been housed within the Internal Services Department, The Department of Consumer and Business Affairs; and most recently, in June 2021, the Commission settled within the newly formed Economic and Workforce Development (EWD), a new service branch of the Department of Workforce Development, Aging and Community Services (WDACS). Finally, it is worth noting that by July 2022, EWD will eventually be named the Department of Economic Opportunity.

Mission Statement

Mission and Purpose:

The Small Business Commission is an advisory body whose purpose is to represent the interests, concerns and outcome of the small business community in Los Angeles County to the Director of Economic and Workforce Development; and through the Director, to the Los Angeles County Board of Supervisors (Board).

The Commission's highest priorities are to advise the Director and the Board on issues including, but not limited to, small business contract utilization and purchasing in the County and small business development in unincorporated areas of the County.

The Commission accomplishes the aforementioned by:

- Advising the Board of Supervisors on Commission's activities
- Providing a small business perspective and advice to the Director on small business issues, both current and emerging

- Helping to identify potential partnerships and grants
- Supported the efforts of the Board in promoting equity in County Contracting as described in the aforementioned initiative
- Helping to build links between EWD and the Los Angeles County business community
- Disseminating information regarding small business protection and Department services to the public through multimedia platforms, Chamber of Commerce, churches, and various small business organizations

Commission Structure

The members of the Commission bring a wealth of experience in small business and economic development. They also bring diverse backgrounds in public, private, and nonprofit organizations, and they are committed to equity and inclusion for County small businesses. Finally, the Small Business Commission members encourage collaboration between County departments, community stakeholders, corporate partners, and neighboring municipalities.

To best consolidate the expertise of the 25-member body, the Commission does its work through its two standing committees:

- Procurement & Reciprocity
- Economic Development & Outreach

The two committees were developed to focus the efforts of the Commission by examining specific aspects of L.A. County's engagement with the County's small business community.

Procurement & Reciprocity Committee

The Procurement & Reciprocity committee was developed to help identify and promote procurement opportunities for small business owners in Los Angeles County to increase the County's Small Business utilization percentage. This Committee also works to develop and promote partnerships with various local, state, or federal agencies; and with corporate partners to create growth opportunities for small businesses and encourage certification reciprocity between the respective agencies or partners.

The Committee's goals align with the Commission's goals, and include:

- Promoting reciprocity between/among agencies
- Support the Board of Supervisors (BOS) initiatives for inclusivity, diversity, and transparency in County contracting
- Support County policies that mitigate risks in the small business Sub-Contracting class
- Examining procurement practices to increase small business utilization
- Increasing the number of certified small businesses in Los Angeles County

 Advocate the creation of a barrier-free, clearly defined, transparent procurement process to generate an increase in quality and efficiency in the procurement arena

To make progress toward these goals, the Committee's efforts in 2022, in coordination with department staff, will focus on:

- Seeking to simplify and streamline the certification process
- Follow-up on the 2021 Commission recommendation that there be no sunset on the County's (25% and 3%) Small Business Utilization goals
- Increasing the number of certified Small Businesses, to 3,000, by December 31, 2022
- Facilitate and encourage research to support a recommendation to extend to 4 years of the certification period
- Advocate for policies and programs that support Small Businesses' success by ensuring that prompt-payment procedures are conducted and emphasized throughout each Department
- Continuing to advocate for increased access to capital and bonding opportunities for small businesses
- Support any County program that aims to increase County small business utilization
- Facilitate drafting recommendations to Director and Board to increase efficiency and small business utilization
- Continue to advocate for improving the Simplified Acquisition Program (SAP) ceiling to \$249,999.99

Procurement & Reciprocity Committee Work Plan:

The work plan of the Procurement & Reciprocity Committee includes:

Supporting the OSB staff in facilitating roundtable discussions and SBC presentations with procurement officers and contracting personnel

These discussions and presentations aim to meet with the County's procurement officers to identify any challenges - or perceived challenges - associated with the Department's small business utilization efforts.

Pursue meetings with potential reciprocity partners to include local state and federal agencies

The Commission understands the importance of developing relationships with potential reciprocity partners by discussing the advantages of creating reciprocity agreements with L.A. County.

Advise the OSB staff in the outreach and recruitment process to convert non-certified business owners to Certified Businesses

The element of the Committee strategy to bridge the gap between certified and non-certified vendors can be implemented through surveys and increased technical assistance. Results will be used to assess the factors that lead to a business' decision not to complete the Certification process and identify ways to mitigate the issues.

Tracking Small Business Utilization (SBU) data

The Procurement & Reciprocity Committee, and the Commission as a whole, have emphasized the importance of small business utilization by the Department; and data tracking of various aspects of small business utilization, including the types of contracts, awarded, the types of services contracted, the types of commodities purchased, and the numbers of certified small businesses that are engaged as Subcontractors. This can be accomplished by increasing the transparency of the processes.

Economic Development & Outreach Committee

The Economic Development & Outreach Committee was established to support the economic development of the small business community in Los Angeles County by identifying resources and education platforms for current and potential business owners and to provide strategies to increase County outreach efforts to the small business community.

The Economic Development & Outreach Committee has three primary goals (focus areas):

- Outreach
- Economic development
- Social enterprises

Within these areas, the Committee adopted the following Outreach Goals for 2022:

- Support the Community Based Enterprises (CBE) established by the BOS in 1991
- Support the County's goals to foster innovation and entrepreneurship in diverse communities
- Understand and support the outreach efforts of EWD and OSB
- Outreach to Commission members for more engagement in the Commission's committees
- Enhance small business engagement with the Commission and review/advise the Department on written communications (newsletters, flyers, e-blasts, etc.) as targeted to the County's small businesses
- Endeavor to build an outreach model that targets diversity and gender equity in collaboration with local organizations (chambers, churches, and other organizations) that support diverse small business owners, including Certified Business Enterprises

Economic Development Goals:

- Work to support the economic development goals of the EWD and OSB,
- Work to support the efforts of the County CEO's office in its contract with a bonding resource professional to help small businesses understand insurance and bonding requirements and where to seek assistance to obtain such services
- Advocate and support the BOS strategy of employing an equity lens to increase inclusivity and diversity in County contracting

Social Enterprises:

- Identify ways to enhance community participation in social enterprises by providing clarification of the application criteria
- Connect with social enterprises and promote economic development at the community level

Economic Development & Outreach Committee Work Plan:

This Economic Development & Outreach Committee plan needs to be presented to and adopted by the Small Business Commission. It includes:

<u>Substantive outreach events that provide value for small business owners:</u>

Continue the development of the Roundtable events to understand better the types of issues that affect small business owners and connect them with resources available through EWD's Office of Small Business.

Social media and web content:

The Small Business Commission has applauded the Department's use of social media and web-based platforms to promote department-sponsored events and share information about new contracting opportunities. The Committee advocates the use of technology to increase the participation and accessibility of the County's outreach events.

Outreach targeting emerging technologies:

This outreach based on the evolution of technology and its applications pertaining to building efficiencies in the quality and delivery of goods and services to the County's residents is imperative. This strategy will support economic recovery post-pandemic (COVID19). Embracing "Green Tech" small businesses and entrepreneurs will help improve the quality of life for County residents, part of the County of Los Angeles mission.

The work of the Economic Development & Outreach Committee will continue as new resources are identified, new technologies become available, and new policy platforms emerge. The Committee is studying new ways to increase the County's ability to reach, and exceed, the goals of the Small Business Utilization programs.

The Small Business Commission's Economic Development and Outreach Committee will engage with fellow Commissions to drive practical and achievable solution-oriented strategies. These support the Small Business Commission's mission and purpose.

Collaboration with EWD and Office of Small Business

Members of the Commission attended and participated in several Small Business Services events in 2021, including:

- Quarterly Contracting Connections events
- Small Business Services Awards Ceremony

Small Business Commissioners participated in and received updates from EWD on all policies and programs related to the Small Business Utilization program. The Small Business Commission supports the EWD and OSB and looks forward to ongoing cooperative relationships with these teams.

Small Business Commission: Goals for 2022

The Small Business Commission intends to carry out its primary role of recommending/advising the Department and the Board on issues, problems, and concerns relative to the County's engagement of small businesses. In that light, and through the work of the committees, the Commission shall:

- 1. Reiterate to the Department, and thus the Board, its recommendation that there be no sunset on the utilization goals set by the Board in 2016
- 2. Recommend that the Board establish an office of small business utilization or a small business ombudsman to oversee departmental small business utilization in accordance with board-sanctioned requirements
- 3. Advocate for increased transparency to measure the effectiveness of the SBU

The Commission has expanded the forecasting and contracting programs for ISD and County Public Works, Dept. of Public Health, and the County's 34 Departments. It encourages the EWD and its internal departments to focus on valuable opportunities, education, and protecting small business owners against predatory lenders and prime contractors.

The Small Business Commission's goals are furthered by focusing the work of the Commission through its Committees. The Commission will continue this model in 2022.

The primary goals of the Small Business Commission for 2022 include:

- Reaching the 2016 Small Business Utilization targets of 25% and 3%
- Continuing to support the EWD to increase the overall certifications by 30%
- Fostering collaboration among the County's major departments to support the BOS initiatives and policies governing the Small Business Utilization policies
- Increasing the small business community's capacity to access capital, participate
 in economic forecasting events, and acquire the contract readiness required to
 compete for procurement opportunities effectively
- Increasing utilization of technology and media resources to disseminate the Commission's message
- Leveraging business relationships and networking opportunities to identify potential reciprocity partners
- Promoting certification benefits and contracting opportunities, in partnership with the Department
- Assisting in the development and growth of early-stage tech entrepreneurs' access to County business opportunities
- Increasing vendor registration in the L.A. County market

The Small Business Commission looks forward to continuing its partnership with the EWD and OSB to improve the economic climate for Los Angeles County's small businesses.